

A LABOR CASE WITH MERIT"

The World.

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SUNDAY, JUNE 27, 1920.

A LABOR CASE WITH MERIT.

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For the anthracite-coal miners of Pennsylvania whose claims are now under consideration by a special commission recently appointed by the President it must be said that they come into court with clean hands. They refer with pride to the fact that they have worked loyally under trying conditions and that they have recognized their duty to the public no less than to themselves, being content that on an impartial hearing justice would be done.

With this attitude in mind, most people will be astonished to learn that wages for the best-paid men have not exceeded \$100 a month and that what is asked now is \$6 a day as a minimum for adult workers, an increase of 31 per cent. on all contract rates, the standardization of the eight-hour day and the formal recognition of the United Mine-Workers of America. Taking into account the prevailing pay of labor in many other lines, the demands of this basic industry appear to be as modest as the tone of its representatives is conciliatory.

If all the conditions are as stated, it ought not to require a protracted session of the commission to arrive at a conclusion satisfactory to the miners. In almost any other field employers so powerful and prosperous as the anthracite operators would have met such an issue as this fairly and squarely, without compelling the Government to take a hand in its settlement.

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"PRINTED FACT" MUST GO."

Published by
THE UNITED MINE WORKERS OF AMERICA
1920

"A Labor Case With Merit"

EDITORIAL COMMENT

ON THE CASE OF THE

Anthracite Mine Workers

BEFORE THE

ANTHRACITE COAL COMMISSION

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EDITORIAL COMMENTS

(New York World, June 27, 1920.)

A LABOR CASE WITH MERIT.

For the anthracite coal miners of Pennsylvania whose claims are now under consideration by a special commission recently appointed by the President it must be said that they come into court with clean hands. They have engaged in no strike, lawful or unlawful. They refer with pride to the fact that they have worked loyally under trying conditions and that they have recognized their duty to the public no less than to themselves, being confident that on an impartial hearing justice would be done.

With this attitude in mind, most people will be astonished to learn that wages for the best paid men have not exceeded \$100 a month and that what is asked now is \$6 a day as a minimum for adult workers, an increase of 31 per cent on all contract rates, the standardization of the eight-hour day and the formal recognition of the United Mine Workers of America. Taking into account the prevailing pay of labor in many other lines, the demands of this basic industry appear to be as modest as the tone of its representatives is conciliatory.

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(Scranton Times, Scranton, Pa., June 28, 1920.)

THE CHARGE OF PROFITEERING LAID AGAINST OUR BIG MINING COMPANIES.

With the resumption today of hearings calculated to guide it in adjusting the wage demands by the anthracite mine workers, the commission appointed by the President was presented with the rather amazing statement that the anthracite operators are conscienceless profiteers. That is the only conclusion that can be arrived at upon the basis of the declaration of an economist who, appearing before the commission as a witness for the mine workers, stated that profiteering to the extent of 500 per cent increases for the 1916-1918 period as compared with the 1912-1914 or pre-war period, has been indulged in.

The Philadelphia and Reading company, one of the largest of the anthracite mining corporations, is specifically charged with being a 500 per cent profiteer.

The witness, who is W. Jett Lauck, former secretary of the War Labor Board, says:

"A survey of the anthracite industry shows an increase in net profits of the principal operators for the period 1916-1918 over 1912-1914 of nearly 90 per cent as compared with an increase in production during this period of less than 12 per cent. For the year 1919 the available figures show for two representative companies an increase in net profits over 1918 of 18 per cent. The figures quoted are exclusive of the profits of the separately incorporated selling companies through which certain of the principal operators market their product. These companies, since their organization, have paid annual dividends ranging from 20 per cent to 30 per cent.

"In the case of seven representative mining companies there was an increase in net profits during the period 1916-1918 over 1912-1914 of 69.7 per cent. Expressed in terms of dollars the total net income of these companies advanced from an aggregate of \$29,354,989 for the period 1912-1914 to \$55,528,849 for the period 1916-1918, an increase of \$26,173,869, or 89.2 per cent. In other words, their average annual profits during the war were nearly double their yearly profits for the pre-war period, though their total production increased only 11.6 per cent. The net income earned by these companies on their capital stock outstanding during the period 1916-1918 ranged from 20.4 per cent to 36.6 per cent, as compared with a net income in 1912-1914 ranging from 12 per cent to 18.9 per cent. Their combined aggregate output during the seven years ending December 31, 1918, it should be noted, was approximately 325,000,000 tons, or about 56 per cent of all tonnage produced during that period."

The making of a fair or substantial profit in coal is not reprehensible. Excessive profits constitute a different proposition. Coal is not like other commodities; it is a necessity, and the mining corporation is a public utilities concern.

It is presumed that the mine workers will present evidence to support in detail the sensational accusations presented by Mr. Lauck. The public would like to know all about them; it is the first time since the Anthracite Strike Commission of 1902 that there has been a going into of the operations of the large mining corporations. This inquiry will do good in giving the country an idea of whether or not it has been milked by unreasonable prices for coal.

If the anthracite mining industry has been making the enormous profits asserted, it is important to know it. If they have, operators can sell coal at less than they have been selling it, which will benefit consumers and manufacturers; they can afford to pay higher wages to the mine workers, and they can afford to voluntarily tax themselves to protect the surface against the mine caves that bedevil the surface dwellers of this and adjacent communities.

The commission before whom the case of the mine workers for higher wages is being heard is comprised of one operator and one mine worker. These will, naturally, lean to their respective sides; it is human. The third man representing the public is a disinterested party, the president of a college. The latter may

be expected to wield, therefore, not only a decisive influence in any decision as to wages, but a power in determining the scope of the investigation.

The investigation or submission of all the facts is necessary for a just conclusion as to the wage demands. It will, this inquiry and arbitration, as a result, serve the general public, provided the commission makes up its mind to go into the relations of the mining corporations and their employees to the fullest extent. The charges of enormous profiteering, in justice to the public and in justice to the corporations, should be run down.

The public will have to pay the whole wage increase, in all probability, and it has the right, consequently, to be looked upon as a party to the arbitration. If, however, the mining corporations are found to have been profiteers they should be made to bear the full cost of the wage advance, and the public acquainted with the facts. The public will be fair until it gets both sides of the story, but it should by all means get both sides. The commission can see that it does.

(New York World, June 29, 1920.)

PROFITS OF THE COAL OPERATORS.

Charges of unconscionable profiteering in the hard coal industry are now being made to the Anthracite Coal Commission, which is trying to adjust a wage

dispute and avert a calamitous strike. They come from W. Jett Lauck, who figures as consulting economist for the United Mine Workers. They represent in a general way that net profits for the leading operators have just about doubled over what they were before the war. It is further made apparent that the great aggravating cause of the present crisis has been the failure of the operators in fair measure to share the fruits of their inordinate profiteering with the miners.

These are not new charges. They do not rest on the authority of Mr. Lauck alone. They were publicly made by ex-Secretary William G. McAdoo some months ago, who said he could appeal to the income tax returns for the proof. They were repeated by Mr. McAdoo's successor as Secretary of the Treasury, Carter Glass.

Now the opportunity is present to have these charges sifted to the bottom and the facts made public. They are extremely pertinent to the matter in the hands of the Anthracite Coal Commission, and that body has the power to get at them. An unduly exploited public wants to know the extent of the exploitation and whether it is going to continue as a joint labor-and-capital operation or whether it is going to end altogether.

COAL PROFITS AND COAL WAGES.

W. Jett Lauck, who formerly was secretary of the War Labor Board, in urging wage increases Monday before the Anthracite Coal Commission, gave prominence to the profits made by the anthracite operators in the period 1916-1918 as compared with the period 1912-1914. The industry as a whole, he said, showed a gain in profits of nearly 90 per cent, whereas output gained less than 12 per cent. The implication is that the operators had been profiteering.

As to the limits of a fair rate of return upon coal mining it is not now necessary to give judgment. Mr. Lauck finds the rate taken by the operators during the later period to have ranged between 20.4 per cent and 36.6 per cent on outstanding capital stock, as against the rate of from 14.2 to 18.9 per cent in the earlier period.

What impresses the thoughtful reader in weighing these statements is that the increases in profits and in rate of return correspond roughly to, or fall short of, the shrunken purchasing power of the dollar. Whether the receiver of an income be a person or corporation, a miner or a coal operator, there is only one standard for measuring it—its purchasing power. If the coal companies have doubled their incomes in dollars, then those incomes have stood still or fallen somewhat behind, because each dollar of those incomes

buys today less than half what it did at the time with which the present is compared.

Mr. Lauck, whether considering railroad labor or mining labor, is an advocate of the view that wages ought to be raised approximately high enough to meet the cost of living—in other words, high enough to give present wages not less than equal purchasing power with past wages. He might well hold consistently to this view in dealing with company profits, which are just as much incomes as wages are. Dividends are incomes of individual stockholders. Why should not stockholders' incomes rise with the cost of living to the same extent as miners' incomes? As a matter of economic argument there is no distinction between the two sorts of incomes.

Any corporation that does business today must use twice as many dollars to run its business, because each of its dollars has but half the purchasing power before the war. Any corporation that has doubled its dollar income, or doubled its return on capital, is hardly keeping its head above the rising tide of costs. If profits are excessive now, then they were even more excessive before the war. The nominal increase actually is illusory. The operators, on Mr. Lauck's showing, are a little worse off than they were before they began their alleged practice of profiteering.

It is largely because a fixed rate of return has meant a halved income that bonds have been depressed in

price as compared with stocks. If a corporation makes large earnings, stockholders may benefit by increased dividends and so maintain their incomes without substantial impairment of purchasing power. But bonds, carrying a fixed interest, yield less and less in actual income as the dollar shrinks in buying value.

With particular reference to the hard coal operators, the point of the argument is that they have succeeded in doing, according to Mr. Lauck, exactly what he wants to have done for his own clients—double their income as the dollar was halved in purchasing power. Whether or not this is profiteering, it might at least be said that the coal companies do not seem to have tried to be helpful in keeping down the H. C. L., as some other businesses have done.

(The Republican, Springfield, Mass., June 29, 1920.)

MR. LAUCK ON PROFITEERING.

The wide discrepancy in many cases between the profits reports of some large corporations and the figures of Federal and other investigators has been bewildering. Nobody in business admits profiteering and only in a comparatively few conspicuous instances has the Department of Justice made the charge formally with the evidence supporting it. Yet the figures are down in the books in accordance with efficient bookkeeping systems and the books are available for

public information—with a court order, if necessary. Is it not possible so to standardize accounting that the true inwardness of the situation will appear without camouflage? Or is there a deliberately adopted system of “hidden profits” that baffles all but those who profit by it?

These reflections are prompted by a detailed statement written by W. Jett Lauck, a widely experienced statistician and economist, on corporation earnings and profits in the three years, 1916-18. In that time, he says, the net profits of the corporations of the country, were approximately \$4,800,000,000 more a year than in the three years preceding the war, \$2,000,000,000 of the excess being in the iron and steel and coal industries. What this means is made clearer by a few items. Two thousand and thirty corporations made over 100 per cent net profit; 5734 made more than 50 per cent, and 20,000 from 20 to 30 per cent. Manufacturers' war time profits in gray sheeting were 748 per cent of pre-war profits, while the retailers' increase of profits in the same commodity was 464 per cent; manufacturers' profits in blue denim, of which overalls are made, increased 650 per cent. The “most conservative” estimate of the net gains of the sugar profiteers this year is in excess of \$600,000,000.

More details of a similar sort were given by Mr. Lauck in his statement recently before the Anthracite Coal Commission. An increase in net profits of the

principal operators of nearly 90 per cent in the three years, compared with an increase in production of less than 12 per cent during the same period, as he figures it, is fairly high; but the statistician declares that the actual increase in net profits of one company, the Philadelphia and Reading, "which had no selling device for concealing its profits," was nearly 500 per cent and its profits per ton of output 435 per cent, while the company's increase in production was only 11 per cent.

Mr. Lauck, who was formerly secretary of the War Labor Board, is now employed by the United Mine Workers of America as consulting economist, but he has held similar positions with both the United States and Canadian Governments, before arbitration boards and with private commercial enterprises. His figures are challenging. What is the matter with them? In general, it can only be said in defense of the profits revealed that the war-time necessity for stimulating coal production in high-cost mines so as to increase total output enabled low-cost mines to cash in enormously when the Government agencies fixed prices at higher levels.

GUILTY OR NOT GUILTY?

The American people have a right to know, and to be informed promptly, whether they have been and are now being imposed upon by the anthracite coal operators.

A charge to this effect has been made several times since the signing of the armistice. It is now presented to the Anthracite Coal Commission by W. Jett Lauck, consulting economist for the United Mine Workers. Inasmuch as the commission is inquiring into the question of wages and hours, it should not complete its settlement of the grave dispute without determining what measure of truth there is in what Lauck now says and what William G. McAdoo said he discovered to be the fact while studying income tax returns as Secretary of the Treasury.

This question is not one of increased business or increased cost of operation. It is simply one of net profit. Lauck says the net incomes of the operators are just about double what they were before the war.

The difference between the old prices at the mines and the present ones in dollars and cents has not gone to the miners. The consumers have not enjoyed any benefits. On the face of things the finger of suspicion points to the operators.

(The Buffalo Express, Buffalo, New York, June 29, 1920.)

W. Jett Lauck, a former member of the War Labor Board, quoted figures to the anthracite commission which purports to prove that the hard coal industry is a monopoly and that profits have increased unduly since 1914. This statement recently has come from so many different persons that it needs official investigation.

Citizen, Brooklyn, New York, June 29, 1920.)

Mr. Lauck, former secretary of the War Labor Board, charges certain anthracite coal combinations with profiteering on a large and intolerable scale. Unless Mr. Lauck's figures can be shown to be wildly at variance with the truth, several of the chief operators ought to be sent to the penitentiary for a long period of years.

Traveler, Boston, Mass., June 30, 1920.)

ANTHRACITE MEN STILL HOLD BARON ATTITUDE.

Anthracite operators are squirming vigorously at the thought that their profits should be investigated by the Anthracite Coal Commission now studying the question of mine workers' wages. The mine owners claim it is preposterous to suppose there is any con-

nection between wages on the one hand and charges of profiteering and monopoly on the other.

The anthracite interests are utterly wrong in this contention. There are three parties interested in the subject of wages—the miners, the mine owners and the public. The same three parties are also interested in the question of profits made by the coal producers. The problem cannot be separated into two parts, each to be solved without reference to the other. This fact becomes clear when we consider the rights of the three parties. The public is entitled to obtain coal at the lowest price consistent with efficient operation. The mine owners are entitled to a fair return upon their investment of capital, brains and energy. The wage earners are entitled to a living wage, and to the knowledge that their services are not being exploited to fatten bank accounts of employers who may have taken advantage of unusual opportunities to rob the public.

It is high time the coal operators were compelled to lay all their cards on the table and submit to a fair adjustment of the whole question of wages, profits and trade practices. They greatly increase the presumption against them in the public mind and in the minds of their employees as well by trying to withhold pertinent facts from the mine commission.

PROFITEERS IN ANTHRACITE.

Just why the representative of the anthracite operators before the Anthracite Coal Commission at Scranton should object to the introduction of evidence as to the profits of the mining companies will not be altogether clear to those who imagine that it is the function of the commission to fix the wage scale of the miners upon a basis which bears a fair relation to the costs of production. To assume, as would appear to have been the contention of Mr. Warriner, that the commission could only concern itself with such simple questions as to the cost of living and what constitutes a living wage for the mine workers would be to narrow the inquiry beyond all reason and to leave out of consideration the third party to the controversy which the commission was called into existence to settle.

Surely the public has some rights which operators and miners are bound to respect; and the profits of the operators bear quite as directly upon the price of coal to the consumers as upon the ability of the operators to pay more wages to the miners. Perhaps it is true that the consumers and the price of coal were not specified in the agreement to refer the wage dispute to the commission, but they can no more be excluded as determining factors in the question at issue than could the specific items in the formal demands of the miners. If it be true that the operators' profits have reached

anything like the percentages set forth in the statement of the consulting economist and statistician of the miners' union, then the facts ought to be made known to the public, to the end that the consumers may for once be protected. If these enormous profits have been made out of the anthracite industry, then there is absolutely no justification for the present prices, and certainly no justification for another advance on top of that already made in anticipation of the pending wage increase.

Advertiser, Boston, Mass., July 1, 1920.)

BLAME BANKERS FOR HIGH COST OF HARD COAL.

Here's why hard coal is costing \$14.50 a ton in Boston and New England, according to W. Jett Lauck, consulting economist of the miners, before the Anthracite Coal Commission's hearings held today in Scranton, Pa.

Seven railroad systems controlled by J. P. Morgan & Co. and a Wall street banking combine own 96 per cent of the unmined coal of the country.

Control Coal Market.

They mine anthracite through separately incorporated coal companies which the railroad systems own

and control. They also say how much coal shall be put on the market.

The bankers raised transportation rates on the railroads so high the coal companies operated at a loss. These losses were assumed by the railroads, paid for in capital and bonds, and charged into transportation rates by the railroads.

Excessive transportation costs combined with coal company losses gave the railroads excuses for high rates and low wages.

At the same time coal company losses charged into the cost of transportation justified high traffic rates.

The Consumer Suffers.

These high traffic rates, juggled into the cost of anthracite to the local dealer, justified high prices to the consumer

Here's how the coal profiteers "got away with it" and the money they made, according to Mr. Lauck, formerly secretary of the War Labor Board:

From 1914 to 1916 these seven mining companies increased their net profits 69.7 per cent.

From net profits of \$29,354,989 in 1912-1914, these companies increased their net profits to \$55,528,849 in 1916-1918. This was an increase of \$26,173,860, or 89.2 per cent.

During the war their profits doubled, though their total production increased but 11.6 per cent.

And these profits, large as they are, represented only the earnings of the mining companies, exclusive of their separately incorporated selling companies.

A Vicious Circle.

The available figures for 1919 represent still larger profits.

For example, the coal department of the Delaware & Hudson Railroad shows an increase in profits of 4.39 per cent.

The Lehigh Coal & Navigation Company increased its profits in 1919 over 1918 by 2.5 per cent.

In other words, the bankers who own the railroads, the coal mining companies and the coal selling companies reaped excess profits through juggling their bookkeeping systems.

First, they milked the railroads by high traffic rates.

Next, they raised the price of coal to the dealer and so to the consumer.

At the same time they kept down the miners' wages.

Played both ends and the middle.

Frenzied Finance!

Herald, Boston, Mass., July 2, 1920.)

The householder who pays \$14.50 a ton for hard coal, basketing extra, will agree with Mr. Lauck in scenting inordinate profits nearer the mine than the bin.

COAL MINERS AND THE PUBLIC.

It has recently been claimed, by some of its representatives in the United States, that the interests of organized labor are practically identical with those of a large proportion of the rest of the public, and no doubt a considerable percentage of the rest of the public is inclined to agree with them. This element of the population, at least, will be likely to applaud certain statements made the other day by Philip Murray, vice-president of the United Mine Workers of America, to the Federal Anthracite Coal Commission. The fact that Mr. Murray's remarks were offered in connection with a demand that the workers in the Pennsylvania anthracite field be granted a minimum wage of \$6 a day is, for the present moment, incidental, and in any case the question of a just wage for these workers is properly one for the commission mentioned to determine. The public, it may safely be assumed by the miners and everyone else who is interested, is ready to do its part in order that the men who dig out coal may be well paid for their arduous and necessary work. Everybody will admit that it costs miners and their families more to live now than it used to, and it is for the interest of the public, as well as to its liking, that the miners and their families should be enabled to live decently. There is not yet any unshakable evidence that, even though they

are freed from the handicap of drink, they are living on a plane higher than is approved for the American working man.

The mere consumer of anthracite coal, even though his part in the matter seems to be only to pay his bill, if he can get the coal he needs, and control his tongue as he may be able, sometimes thinks he holds views of importance concerning the coal industry. But it seems reasonable to believe that the spokesman for the anthracite miners should be still better informed than the ultimate purchaser with regard to the conditions under which coal is mined and otherwise handled. Moreover, the reputation of the American Federation of Labor, in which the United Mine Workers of America have long been an important factor, and the public utterances of the high officers of that aggregation are generally such as to warrant public attention and to win public confidence. So that when a vice-president of the Federation tells a national commission, as Mr. Murray did the other day, that "if the excessive profits resulting from the coal monopoly were eliminated and the industry conducted with a wholesome regard for the public welfare, a liberal return could be made to capital honestly invested, the wages of the anthracite workers could be increased to American living standards, and the price of coal to the consumer could be greatly reduced," impartial listeners are likely to be pleased that the Government

is getting more information of this character. Since figures amply sustaining such statements concerning coal mining were made public by income tax returns, and by Mr. McAdoo as a result of knowledge gained while Secretary of the Treasury, the public has been convinced that assertions like that by Mr. Murray, just quoted, are justified.

It will, therefore, require no special credulity for American citizens to accept Mr. Murray's added declaration that, "under the practical operation of the coal monopoly since 1898, both the worker in the mines and the consumer of anthracite coal have been grievously exploited." Both the Government and the people will, it is to be hoped, give due weight to his further statement that, "until conditions have been turned to the public interest, there can be no permanent hope in the industry either for those who labor to produce coal or those who use it for domestic or other purposes." Nor will the public fail to note the Labor representative's testimony that the miners had remained at work since the beginning of the present controversy in March, preferring to suffer individual hardship rather than bring about general hardships to the public. If such is really the attitude of the men, they will, in the long run, lose nothing by maintaining it, for a brighter day for them will surely dawn. Mr. Murray did not make the mistake of stopping with general allegations, but also said to the commission:

"We can prove by official data that there is no relation between labor costs of mining anthracite coal and the exorbitant price which is being exacted from the consumer, or, in other words, that the rates of pay of anthracite mine workers are not the determining factor in fixing the price of coal to the consumer." From the words of this spokesman of the miners it is apparent that a fair adjustment of the conditions of marketing coal is one of the essentials for removing unrest among those who dig it out of the earth, and thus is an end more important to be achieved than any temporary fixing of wages.

(Pittsburgh Dispatch, Pittsburgh, Pa., July 7, 1920.)

EFFICIENCY IN BOOKKEEPING.

It is improbable that we have been bestowing too much praise upon our national progress in mechanical invention and application of improved equipment, but conclusions that may be drawn from the statements of W. Jett Lauck, former statistician for the War Labor Board, may present the inference that we have failed inexcusably in complimenting American efficiency in bookkeeping. If the figures of Mr. Lauck are placed alongside the reports of profits by representative industrial and commercial enterprises, it is impossible to escape the suspicion that standardized

accounting methods have accomplished some phenomenal feats. Records of operations are taken from regular, routine, respectable books, and should present a plain, understandable story, yet Federal investigators and specifically expert statisticians like Mr. Lauck find what may be described by the charitable term discrepancy. What Mr. Lauck discovers deserves the name profiteering at best and an uglier name at worst, but Federal records against profiteering leave no trace of a widespread movement to gouge the public or evade obligations to the Government.

There are no profiteers among the representative industrial and commercial establishments of the United States, yet Mr. Lauck asserts that from 1916-1918 2030 concerns made more than 100 per cent profits; 5734 made more than 50 per cent profit, and 20,000 up to 30 per cent, which leaves the question rather wide open—what is profiteering? Incidentally another question intrudes—are reports to the Government incomprehensive except to experts like Mr. Lauck, or has there been evolved out of the multitude of necessities born of the war a standardized system by which it is possible to conceal what industrial and commercial concerns have done? If Mr. Lauck is able to check up these items of profit, why has no one else been able to do it? What he publishes looks like sheer defiance to both Federal Government and the enterprises whose profits he makes known. He should be

refuted or corroborated, or there may be a suspicion that the Federal Government is insincere in its "war-fare" upon profiteering.

(Express, Buffalo, N. Y., July 8, 1920.)

W. Jett Lauck elaborated his charges yesterday that the anthracite industry is a huge monopoly oppressing both workers and consumers, and that its profits are seven times greater than they appear to be. Mr. Lauck seems to be sufficiently sure of his ground to warrant a thorough investigation in the direction he suggests.

(Scranton Times, Scranton, Pa., July 8, 1920.)

IS THE CONSUMING PUBLIC INTERESTED IN MINING PROFITS?

The form of the interrogation above is shaped calculatingly, with the idea of drawing attention to a remarkable statement attributed to S. D. Warriner, the directing head of the Lehigh Coal and Navigation Co., which is one of the biggest of the anthracite mining corporations.

The mine workers seek to introduce testimony showing the profits of the mining corporations as evidence of their ability to pay higher wages, without putting it on consumers. To this Mr. Warriner said, before the Presidential commission that is sitting here to deter-

mine how much of a wage increase shall be given the mine workers :

“We (the operators) are not trying our case before the public. The public is not interested in these extraneous matters. This is a matter for the commission, not a matter for spreading in the newspapers.”

Therefore, our question of whether the public is interested in the profits of the mining corporations.

Mr. Warriner is wrong. The public is interested in the profits of the mining corporations, and the public, moreover, hopes that Dr. Thompson, the third member of the President's commission, will not be persuaded by the operators to rule out as evidence what the mine workers want to show in this respect.

The anthracite operators, Dr. Thompson should know, are among the cleverest, the daringest and most persuasive as well as the most amiable men in the corporate life of the United States. We say this with no disrespect to them, only so that Dr. Thompson, who comes from Ohio and does not know anthracite persons and history as the people here do, shall not be misled and shall get the public viewpoint, for it is as the representative of the PUBLIC that he serves on the commission.

The *Times*, upon the adjournment of the commission's sitting last week, gave good reasons why the profits of the operators had important relation to wages and the cost of coal to the consumer. We shall repeat them briefly.

On the first of May this year, for illustration, the anthracite mining corporations raised the price of coal at the mines \$1 a ton. The retailer had to pay it. Did the retailer make the consumer pay it? Every consumer knows that no retail coal dealer could remain in business if he did not pass the increase of \$1 a ton on the consumer. That is where the public IS concerned, Mr. Warriner to the contrary.

Mr. Warriner and his fellow-operators themselves declare that if the mine workers get a wage advance the PUBLIC will have to pay more for its coal. Is the public interested, or is it not, as Mr. Warriner endeavors to make out?

The operators have, ALWAYS, raised the price of coal to the public after EVERY wage advance. That is recorded history in the anthracite region.

The PUBLIC is interested, and we sincerely hope that Dr. Thompson will not be taken in by the operators' plea to the contrary. For the benefit of Dr. Thompson let us say that the operators tacked on that May 1 increase of \$1 a ton ON THE GROUND OF INCREASED LABOR COST OF THE MINE WORKER and IN SPITE OF THE FACT THAT they do not yet know how much of an increase will be added, through a wage advance, to the labor cost. They offered 15 per cent of an advance, but that 15 per cent applied to the labor cost of a ton of coal was MUCH LESS THAN THE DOLLAR A TON

THEY ADDED TO THE PRICE OF COAL MAY 1.

How can Mr. Warriner logically insist that the public is not concerned? That is a "break" on Mr. Warriner's part almost as bad as that made by the late George F. Baer when he came out boldly with the asseveration that the anthracite operators ran the mines by "divine right." The PUBLIC is concerned, very vitally.

The operators, very shrewdly, say, in support of their arguments against the admission of evidence tending to show their ability to pay higher wages, that all the commission is expected to do is to decide what is a living wage, the operators being willing to pay that. That is, after a fashion, a plausible argument, but it is misleading. For the moment let it be said that no industry that will not or can not pay a living wage has the right to exist, for the industry that does not or can not pay such a wage is a barnacle and a dragger-down of the labor of the men, women and children in it. That kind of business is no good to a community or a people.

Theoretically, the operators say they are willing to pay a living wage to their mine workers, and that this wage is to be fixed by the commission **whether they can afford it or not. If the operators had any intention of not passing the wage increase on to the consumer, they would never make an argument of**

that sort. Anthracite operators do not just talk that way.

The commission, if it allows itself to be persuaded that the profits of the anthracite operators have no relation to the issue of a wage demand, will be hoodwinked. Mr. Connell, the operators' member on that commission, and Mr. Ferry, the miners' representative, are interested parties. They will not be led astray, but their attachments and inclinations will perhaps cause them to disagree on the admission of the testimony that Mr. Warriner, a mighty able spokesman for the operators, wants to keep out. That puts it up to Dr. Thompson, the chairman and public agent on the commission, to decide. All that we can say, and we believe we know public sentiment in the anthracite region reasonably well on matters of this kind, is that the commission will be regarded as a monumental failure if it does not throw the light on the entire anthracite situation and if it decides that the point of Mr. Warriner, that the public is not concerned, is well taken.

The operators protest most mightily when anybody mentions profits. Why? If they are not profiteers, why not open the way to a full and free inquiry?

The work of the commission, if it is only superficial, will intensify discontent amongst 170,000 anthracite mine workers, leave unsatisfied the great consuming

public, do an injustice to the manufacturing interests that burn anthracite and add to the general social unrest that inquiries of this sort are meant to allay by an honest and searching inquisition and a fair decision.

Coal is a PUBLIC commodity.

The PUBLIC hopes earnestly for a BROAD and DEEP inquiry and not the narrow one that the operators so vigorously demand. Dr. Thompson's opportunity for PUBLIC SERVICE and JUSTICE is, therefore, exceptional.

Boston Daily Globe, Boston, Mass., July 9, 1920.)

WHAT IS X?

"We are not trying our case before the public. The public is not interested in these extraneous matters. This is a matter for the commission, not a matter for the spreading in the newspapers."

Mr. Warriner, representative of the coal operators, is speaking. He is addressing the national commission which is trying to find out the truth about the coal industry. The representative of the miners had proposed that the books of the anthracite coal operators be opened and Mr. Warriner had risen to protest.

There are certain things which the public knows about the coal industry. Most householders have a bill file, which is incontrovertible evidence of the way

in which the price of coal has risen. Those who stoke furnace or tend kitchen stoves have an unfavorable opinion of the present quality of coal. A good deal of it seems to be "fire-proof."

Schedules of the amounts paid miners, when they work full time, have been widely published.

There is almost, but not quite, enough material to enable the average man to figure out whether his coal bill is extortionate or not. The trouble is that there is an "X," an unknown quantity, in the example. If we knew how much the mine owners received over and above their expenses, we could form our own conclusions. Without "X" all discussion in regard to coal resolves itself into an exhausting and profitless lung battle. One man may declare that in his judgment the mine owners are growing fabulously rich. The next speaker may talk about "narrow seams" where mining is costly, and may point out that the transportation situation makes the operation of a coal mine hazardous to those who own it, because the cars to carry the product from the mouth of the pit to market are not on hand when wanted.

No one can discover "X" in this instance merely by turning the matter over in his own brain. But "X" is in those books, and it could be located with the help of expert accountants. Once it became known how much the coal-mining business is bringing in to those who control it, an intelligent public opinion would form on the subject.

Last fall when the miners quit working, the whole country was seriously inconvenienced. For a time the prospect of keeping warm during the approaching winter looked slim. Both the miners and the operators appealed to public sentiment. National and State Governments were called to act in this strike. And no one, except those who would not tell, knew what "X" was.

After all, this is not an "extraneous matter" and the public is interested and expects to find out about it from the newspapers, which are waiting for the information.

A number of producers in this time of mounting living costs have come to the conclusion that it is wise to take the public into their confidence, to tell people exactly why they are obliged to pay what they do. Some concerns which furnish transportation make a point of showing by a simple diagram just how much of every dollar goes to labor, how much to upkeep and extension and how much to those who furnish the capital. This policy of frankness has been exceedingly helpful in reconciling the patrons of electric cars to necessary fare raises.

There has been plenty of oratory, some of it highly misleading and inflammatory, on the subject of the H. C. L. We do not need any more fervid utterances, but do need the figures. The common schools have taught us all to add and to subtract, and many who ob-

tained their only schooling from the College of Hard Knocks are particularly well posted on elementary arithmetic.

All over the country the economic situation is under investigation by commissions and committees, some clothed with public authority and others mere private affairs. Questions are being asked about rents and clothing, about sugar and meat. But not one of these questions is answered until somebody, with documentary evidence to prove his statement, appears and tells what "X" is in the particular matter under investigation.

Many a rent hearing has been closed by landlord and tenant shaking hands simply because the truth about taxes, interest and upkeep has proved that the contested rent advance is entirely fair.

Coal, especially in New England, is an essential. Most people are fair-minded and are willing to pay what they should, but they want to be sure what is right. That is why "X" should be known.

UNCLE DUDLEY.

(Dispatch, Pittsburgh, Pa., July 9, 1920.)

IS LAUCK RIGHT OR WRONG?

If there are Federal records which can refute the statistics and related conclusions presented to President Wilson's Anthracite Coal Commission, sitting at Scranton, by W. Jeff Lauck, former member of the War

Labor Board, the contradiction would be an advantageous public service. If there are even private figures which are susceptible of substantiation, that would be better than no answer to what amounts to a grave charge. The Lauck statistics have been mentioned in connection with conclusions that characterize the course in some industries as sheer profiteering, and the basic industrial structure should not be permitted to rest under the slightest suspicion when the popular mind is already irritated by terrific strain.

In his latest presentment to the commission Mr. Lauck makes the flat assertion that there is no shortage of any staple commodity—on the contrary, that there is an abundance which is concealed by failure to distribute. As a sample of how the Lauck figures reach the heart of conditions, he states that 276,000,000 pairs of shoes are ample for the 20,000,000 families in the United States, but that the actual production, notwithstanding the cry of shortened output, is 292,000,000 pairs. Another illustration is his statement that all the needs of garment making of every description, so far as woollen cloth is concerned, are provided for in an output of 4,000,000 square yards—while the production is 7,600,000 square yards.

Unless the Lauck statistics are disposed of, the effect upon the public mind may be to sharpen the existing bitterness, already too keen. If a climax to this is needed, it is furnished in Mr. Lauck's equally positive assertion that "without exception in the production of

every article of food there is sufficient, if distributed, to more than satisfy all human needs." If the former Government expert is wrong, it is clearly the duty of someone in authoritative position to point out the error. If he is right, there is serious indictment at the door of those who should be free from any imputation of victimizing their fellow-citizens.

(Hudson Observer, Hoboken, N. J., July 9, 1920.)

GOUGING AND ROBBING THE LOYAL PEOPLE OF THIS COUNTRY SEEMS TO BE THE GENERAL PRACTICE.

That the anthracite coal industry is controlled by a gouging coal monopoly is charged by former Secretary Lauck of the War Labor Board, and now consulting economist of the United Mine Workers of America. His accusation was laid before the Anthracite Coal Commission. Seven different railway systems, he alleges, dominate the industry and have been gathering enormous profits. The net income of the principal operators increased, he claims, \$26,173,860 during 1916-18, and the Reading made 500 per cent profit during that period. These figures are the work of experts and are accurate, he insists.

This is a serious allegation that should be investigated, and if sustained, the offending profiteers ought to be sent to prison for the longest terms the law will

permit. The figures are submitted to show that the operators can readily afford to pay the increased wage asked by the miners, but the charge of profiteering also deeply concerns every consumer of anthracite coal, the cost of which is thrice as high as it was four years ago. Immediate action should be taken for the protection of the unfortunate victims of the alleged band of thieves who control the output of hard coal. Profiteering is being carried on in every branch of industry, and the bleeding of the consumers will continue until the leading robbers are landed behind jail bars.

Not only is there profiteering, but coal is being forwarded to Europe at exorbitant prices while it is needed in this country. Is it any wonder that people are aroused when they must pay \$11 and \$12 a ton for coal? In a hearing on the coal question in Washington yesterday, A. G. Gutheim, a member of the Car Service of the American Railway Association, caused an outburst in the crowded chambers of the commission when he gave figures for coal exports in the first five months of 1918, 1919 and 1920, showing that exports had nearly quadrupled in the first five months of this year.

"That's where our coal is going!" exclaimed someone loudly enough to be generally heard. Gutheim said the coal exports for the five-month period in 1918 were 1,466,000 tons; in 1919, 1,706,000 tons, and in the first five months of this year, 5,726,000 tons.

The Hudson *Observer* has always maintained that an embargo should be put on coal and foodstuffs, so as not to rob the loyal people of the United States.

(The Evening Sun, New York, July 10, 1920.)

QUEER SECRECY ABOUT ANTHRACITE FIGURES.

According to recent news despatches from Scranton, the coal operators, as represented at the hearings of the mine commission in that city, are showing strong opposition to the admission of exhibits dealing with alleged monopolistic control of the anthracite industry and with profiteering. They resisted, it is reported, even argument on the introduction of seven tables of facts and figures purporting to show the costs and revenues of the companies engaged in mining and marketing coal.

This attitude on the part of men who say they have nothing to conceal, and who strongly protest that they are operating as economically and selling as cheaply as their expenses will allow, must cause general surprise. If they are not earning undue profits, it is hard to see why their safest and wisest course would not be to give the public the fullest light.

Whether they favor full disclosure of the facts or not, there seems to be no sound business or moral reason for not opening the windows wide and letting the

whole country have a look in at the secrets of the trade. Consumers are paying through the nose for such coal as they get; they can not get enough, no matter what they pay. They want to know why and they have a right to know why.

If the truth will vindicate the operators, the psychology which seeks concealment is inexplicable. But if it will have the contrary effect, the public reasons for bringing it out are still more compelling.

(Christian Science Monitor, Boston, Mass., July 10, 1920.)

THE PROFITABLE MYSTERY OF COAL.

Somewhat more than ordinary significance attaches to the controversy that has been going on in Scranton, Pa., at the hearings this week before the Federal Anthracite Coal Commission. Although the question nominally before that commission is one of wages for the mine workers, the real question, to judge from the developments of the last day or two, is whether a commission, sitting with Government authority in the interests of the whole people, shall tell the people frankly what it discovers to be the facts about the methods of those who control the coal business of the country, or shall allow those facts to be kept scrupulously under cover. That there should be any real question of this kind is really an astounding thing, in view of all the circumstances. A large portion of

the public has long been enduring what amounts to positive hardship with respect to the prices which they have been forced to pay, or with respect to their ability to obtain anthracite at any price. For a long time the suspicion has appeared to be quite general that those who control the supply of coal have used the power which has come to them through the wide-ranging organization of their trade to make the price to the consumer far greater than it should be by rights, and the exactions and restrictions in connection with deliveries unfairly advantageous to the dealers. For years there has been a feeling amongst consumers that the price of coal has been raised unwarrantedly, with only the most inadequate excuses. There has been a feeling that even the increases that have seemed plausible, following increased grants of wages to mine workers, have not been apportioned with fairness to the consumers' interests; that, indeed, a fraction of a dollar per ton of advance in wages to mine workers has been made the excuse for three to five times the same amount per ton in additional prices to the men and women who use the coal.

Now, at these Scranton hearings, the mine workers, seeking to make out a case for better wages, discuss the methods of the coal operators in a way that goes far to justify all the suspicions which consumers have been laboring under for years past. The mine workers declare that the anthracite industry "has been organized into a huge combination, a monopoly very similar

in structure to an octopus. Its head and body are a very small group of banking interests. Its entwining arms are seven railway systems, which control, at their extremities, the anthracite mining operations of the country." The mine workers declare also that "a well-defined process exists by which the profits of the anthracite industry are successfully concealed, while the high prices are explained by apparent high costs." They declare that transportation costs are inflated and written into the cost of anthracite in such a manner as to bridge the gap between the actual mining cost and the high prices to the consuming public. This financial policy, they say, has furnished a basis for extensive watering of the capital employed in the industry; it has furnished large returns as interest on bonded indebtedness; but more than anything else, it serves, they declare, to blind the public in its long-continued effort to find the real reason why the price of coal is so high.

In such assertions as these, seriously put forth at a public hearing against those who have in their hands the control of a commodity which is regarded as a necessity for the entire people of the country, one might reasonably expect to find a warrant for the very amplest publicity with respect to what the accused factors have to say in defense or explanation of their own position. What one does find, however, is this, that the coal operators, through their representatives at the hearing, have offered strong opposition, not only to the submission to the public of the seven specific exhibits of

the mine workers, dealing with the alleged monopolistic control and profiteering in the anthracite industry during the last five years, but also opposition to any public argument or discussion of the advisability of the presentation of the figures and evidence in connection with these exhibits. One finds a persistent effort on the part of the mine owners to withhold from the public all figures of every sort which might show the revenue and income of the coal companies. Of course, this attitude goes almost as far as the mine workers' allegations to show that the suspicions of the public with respect to the propriety and justice of the methods of carrying on the coal business in this country are more or less well founded. If the coal operators are doing business in a fair way, and without impropriety, why are they afraid to tell the public about it? Private business may require its fair measure of privacy, in ordinary circumstances; but the circumstances now surrounding the handling of the country's coal supply have ceased to be ordinary. They have become in a high degree peculiar. They suggest an inference that relatively small groups of men have manipulated themselves into such a position that they can virtually take the people of the country by the throat and work their will upon them by force of the popular need for what these groups have it in their power to give or to withhold.

This is a far larger matter than a mere affair of business. A great idea is at stake, namely: the ques-

tion whether any right of private property in such a commodity as coal—a right, by the way, which is derived from the people—shall be allowed to become the basis for exploiting the people and depriving them of all power of redress. Business of all kinds has reached a high degree of organization in the United States. Manifestly the coal business has been highly organized, even beyond many other great industries. Like others, it is proving that the more highly business in necessary commodities is organized, the more certainly does the average consumer suffer from the effects of such organization. Yet, the very fact that a special commission of the Federal Government is now considering the coal situation indicates that the popular interest in the matter requires to be defined and protected. That is surely the theory on the basis of which the Amalgamated Mine Commission is taking testimony. Yet, how can it ever give assurance of protecting the public interest if it does not insist on the fullest publicity for every phase of the situation which it is now called upon to consider? “Corruption there must be,” said Mr. Gladstone, on one occasion, “wherever there is not the utmost publicity.” The great English statesman was speaking particularly of politics when he made that statement, but his words apply with equal force to the complicated relations of big business and the public. The consistent efforts of the coal operators, in their public relationships of late, to withhold or to cover the facts with respect to the coal business, and the measure

and manner of their profits from it, are far from reassuring. They could better their position by reasonable frankness. So far as their refusal stands in the way of a complete understanding of the situation, however, it should be brushed aside. There is a larger interest at stake than even that of the groups that control the coal supply. That larger interest must be safeguarded. To this end, it is time that the facts about the coal business were fully disclosed. More than that, even, it is high time that business in this country should accustom itself to the free air of publicity rather than to continue in the stifling atmosphere of secrecy and stealth. Any attempt to cover or to hide the methods by which a necessary commodity is supplied to the people of the country is, in itself, ample reason why those methods should be fully disclosed.

(The World. New York City. July 11, 1920.)

COAL PROFITEERS.

As managing director of the American Wholesale Coal Association, it might be assumed that George H. Cushing knows what he is talking about when he declares that there is no shortage of coal and no danger of a shortage. But his statement is in direct contradiction of conditions as they are generally reported. When Mayors of cities, public utility companies and large industrial concerns are clamoring for immediate

relief because of the failure of fuel supplies, it is useless to deny that an acute situation exists.

Mr. Cushing is pleased to hold "governmental agencies," for which he expresses strong dislike, responsible for the spreading of alarmist reports, so that "those who need coal have been thrown into a panic." It is not easy to persuade street railway companies and manufacturing plants that they are wallowing in plenty when they are able to secure barely enough fuel from day to day to maintain operation, to say nothing of accumulating reserve supplies. It should be difficult to convince them that if only they let matters slide, everything will come out all right. That more coal would have been mined and moved if the President's commission had not undertaken the adjustment of the questions of miners' wages is a theory not to be seriously discussed. To prevent a miners' strike might seem a fairly practical way of averting a coal famine.

The reasons for the actual coal shortage the mine operators would probably best explain, if only they could be induced to deal frankly with the public. Only this week the anthracite operators protested bitterly against the suggestion that they throw their books wide open for examination to the President's commission. By their reluctance they challenged suspicion. For both anthracite and bituminous coal, for domestic and industrial uses, prices never before ranged so high, and costs of production appear to count for very little in the fixing of charges to consumers, big and little.

They intend to win, and they are making most of their opportunities.

In the end it comes down to a plain question of profiteering on an unprecedented scale, and as usual, the public pays and is expected to be grateful that it meets no worse treatment at the hands of the coal industry.

(Bulletin, Providence, Rhode Island, July 12, 1920.)

PUBLIC HAS A RIGHT TO KNOW.

It is a matter for gratification that the Anthracite Coal Commission, which resumes its hearings at Scranton today, has decided that those hearings, so far as the presentation of certain debatable evidence is involved, shall be open to the press and public, against the demand of the mine operators that the public be excluded. The decision may be regarded as a declaration of public rights as well as a victory for the mine workers.

The disputed point concerned the making public of certain evidence presented by W. Jett Lauck, economist and statistician for the mine workers. The items, seven in number, and known as the "Lauck Exhibits," related to the profits of anthracite mining companies, the relation of wages to cost of production, profits and prices, wholesale and retail anthracite prices from 1913 to 1920, freight rates and cost of transportation, operat-

ing and financial records of anthracite railroads, combination in the anthracite industry and cost of anthracite production at the mines in March, 1920.

The mine workers have desired from the first to have the hearings open to the public, but when it came to the presentation of details and figures as contained in these "exhibits" the operators have strenuously objected, demanding that the commission hear the evidence behind closed doors. Mr. Warriner, representative of the operators, in arguing this point, made this extraordinary statement: "We are not trying our case before the public. The public is not interested in these extraneous matters. This is a matter for the committee; not a matter for spreading in the newspapers."

"Extraneous matters," indeed! No matter is an extraneous matter when it is concerned with the heavy burden of the cost of living. Whatever Mr. Warriner may have meant by this remarkable utterance, he was extremely unfortunate in his form of expression. In the first place, the question of whether the present prices of coal are fair or unfair is distinctly not an extraneous matter, and to declare that the public is not interested in the question is equivalent to an assertion that the public has no right to any knowledge concerning it.

The production and sale of coal differ from most other industries in that it is a virtual monopoly. The production of food is something that cannot be monop-

olized. The opportunities for new competitors are always available, but opportunities in coal mining are strictly limited. Coal is a natural product in the benefits of which the whole community is entitled to a reasonable share. The industry is in the nature of a public utility, and in the financial details of it there is a legitimate public interest, as well as a legitimate public right of knowledge. To call these details "extraneous matters" is little less than sheer insolence to the millions of American consumers.

The coal industry, for several years, has been a mystery, and it is time to let a little light in upon it. The anthracite commission is after facts, the public wants the facts, and the mine workers are apparently desirous of having the facts revealed. The only party at interest in the matter that wanted the facts delicately whispered behind closed doors was the small group of mine operators. If they have been doing business on a fair basis and have not been reaping exorbitant profits, there is no reason under the sun why they should be reluctant to have the full facts disclosed. If the conduct of the anthracite business has been fair in all respects, the public will be perfectly satisfied. In any event, the case is being tried before the public, whether the operators like it or not. And as it is a paramount matter for "spreading in the newspapers," it may earnestly be hoped that the newspapers will make the most of it.

PROFITEERING IN HARD COAL SHOULD BE PROBED.

The commission hearing the arguments of the mine workers and the anthracite operators on the demands of the mine workers missed an opportunity. Its decision that it did not have jurisdiction to determine whether the operators are profiteers closes the door to an ascertainment of the exact facts, but the charges of the mine workers, supported to some extent by extremely interesting figures, remain in the public mind.

Possibly the commission is right, but it is difficult to grasp the commission's explanation for its action in excluding evidence that the mine workers sought to introduce. The purpose of the testimony of the mine workers was, the public will remember, to show that the operators could afford to pay the wage increase to the mine workers without increasing to the consumer the price of coal.

The commission is not a judicial body, but it is an inquisitorial institution, or it is nothing worth while, and if wages have any relation whatsoever to the ability of an employer to pay, or a corporation to pay, without putting the whole burden of increased pay on the consumer, then the commission, from the viewpoint of no small number of consumers, if not almost all consumers, has erred in ruling out the evidence.

It requires no profound logic of study to see the re-

lationship between profits and wages or volume of business and wages; yet here a commission decides, virtually, that it is none of its business to find out how well able the operators are to absorb a wage advance that may be granted. In the soft coal settlement by a Presidential commission the operators were made to absorb 14 per cent of a wage advance of twice that.

The anthracite operators are apparently not unwilling for the mine workers to make public asseverations and figures charging ability to pay higher wages, but they do object strenuously to anybody, official or semi-official, investigating their business to establish in a formal and decisive manner whether they have been burning the consumer by taking inordinate profits. That can be understood.

On their part it is, admittedly, good strategy for the mine workers to fight for the admission of their evidence. The operators' excuse is that the coal is higher to the consumer because the mine worker gets higher wages. The latter excepts to being made the "goat" by the public and is moved to prove that the operator is misleading the consumer through the plea of higher wages, but the mine worker must make good, so he asks the commission to verify his charges. The commission refuses, on the ground that it has not jurisdiction.

Since the commission thinks or feels that it has not jurisdiction, there should be a way to prove whether or not the charges of the mine workers are well founded

The State and the Federal authorities alone have that power if it requires legal authority or authority more than the commission possesses. There is the Congress, the Federal Trade Commission and the Attorney-General. The Federal Trade Commission should be the logical instrumentality, it would seem, since it is trade practices that profiteering in coal would naturally come under. The State of Pennsylvania will be apathetic. The Governor showed that when he announced a decision to investigate and then called it off more than a year ago.

It is in the public interest—an interest which the commission admits in explaining its decision against going into the profiteering feature of the discussion—that charges presented in the concrete shape they are presented by the mine workers, and with the seriousness that they are presented, shall be sifted to the bottom by somebody with power. The harder the anthracite operators protest this, the more determined should public sentiment be in insisting upon it. The domestic consumer is not the only citizen interested; the manufacturer has a real interest. The increase in the price of coal has been steady. That itself proves nothing, but when a charge of profiteering is added to that fact it changes the complexion of the increase.

OUR ANTHRACITE BARONS.

The deportment of the anthracite coal operators before the commission detailed to examine into that industry will necessarily prejudice public opinion adversely, if it does not evoke a verdict of guilty without further trial. The operators object to the presentation of figures as to production and profits prepared by Jett Lauck, statistician for the United Mine Workers. They object also to open sessions. They apparently want the proceedings to be secret, with all objectionable testimony excluded.

Such demands are extraordinary. The threat of the mine workers to withdraw from the inquiry unless the operators consent to an honest investigation, and appeal to President Wilson personally, is a justifiable position under the circumstances. Indeed, it is apparently the only course open to them. The public will approve that decision. Meantime the public will be curious to know why the operators presumed to take such an unreasonable, untenable attitude.

Perhaps an answer will be found in the Lauck figures. According to those figures, the principal anthracite coal operators increased their earnings in 1916-1918 some 90 per cent over the three-year period preceding the war, while production was increased only 12 per cent. It should be explained, though, that

Mr. Lauck does not vouch for the accuracy of these calculations.

But the arrogance of the anthracite operators in imagining themselves the mandarins of industry, exempt from the processes of inquiry to which others are subject, will amaze a great many people; it will not astonish that part of the public, however, that remembers the experience of the commission President Roosevelt appointed to arbitrate an anthracite coal strike. Divine Rights Baer has long since been gathered to his fathers, but his soul is marching on through baronial successors.

(United Mine Workers Journal, July 15, 1920.)

AFRAID OF PUBLICITY.

It must have been a terrible shock to those anthracite coal operators when the United Mine Workers hinted to the public that it was being gouged in the price of anthracite. Therefore, it was not strange that these operators squirmed and sought to evade the searchlight of publicity. Of course, they did not want the public to know how much profit the anthracite coal companies made—no, indeed. They said this was a subject in which the public was not interested, and that there was no reason why the subject of profits should be inquired into. But the United Mine Workers felt that it was a subject in which the public was deeply interested,

and they proposed that the public should find out all about it.

The anthracite miners are asking for an increase in wages and for better working conditions. The coal companies say that they cannot pay what the miners are asking for. They say, too, that the miners are asking for too great an increase—more than they are entitled to. The miners went into the hearing before the anthracite commission fully prepared with incontrovertible evidence to prove that the anthracite industry is making, and has for years past made, enormous profits, and that the companies could easily pay the increase asked by the miners. They were prepared to prove that the anthracite industry is owned, controlled and manipulated absolutely as a monopoly by a small group of banking interests, dominated by J. P. Morgan & Co., and the Rockefeller interests. They were ready to show to the commission that this monopoly was so handled that prices press upward against the consuming public and downward against the mine workers. The miners had a mass of figures and statistics to show that the anthracite companies made gigantic profits, all of which, by devious routes, flowed into the same coffers.

This was the kind of evidence that the operators fought to exclude. Heretofore they had successfully prevented the public from getting a peep into their business and they did not want it to happen this time, either.

If there was nothing to conceal that the public should know, why were the coal companies so anxious to keep the facts away from the public? What was there about the anthracite business that they fought so hard to keep hidden? Surely the truth would hurt, or the coal companies would not have objected to having it laid before the people.

The public has the right to know whether the coal companies can pay better wages to their employees, and whether the companies would be justified in passing any part of this increase on to the public when it buys anthracite. The best way to determine this question is to ascertain how much profit the coal companies make. It is a subject in which the public has a vital interest.

We very much fear that when the anthracite coal companies fought against exposing their profits to the public they got "in bad" with the American people.

(Christian Science Monitor, Boston, Mass., July 16, 1920.)

WHY SECRECY AS TO COAL PROFITS?

Not even two or three days' discussion of the subject seems to have been sufficient to enable the Anthracite Coal Commission, now at Scranton, in Pennsylvania, considering the demands presented by the United Mine Workers, to see its way clear to admitting testimony offered by the miners to prove

their charges of monopolistic control of the anthracite industry and profiteering by the coal operators. In other words, the commission thinks it should not be the medium of publicity with respect to conditions in the handling of anthracite that must inevitably have some bearing not only upon the question of wages for the mine workers, but also upon the fairness of the conditions and prices accompanying the distribution of coal to the consumers. It is difficult to see why this decision does not amount to a refusal to take up a vital part of the very matter which the commission was appointed to deal with. It was named by the President of the United States to reconcile differences which had to do with working conditions and wages. If the commission now feels that it can deal justly with questions of this nature without dealing also with the charges of monopolistic control and profiteering on the part of the operators, certainly a large body of the public will be likely to disagree with it.

In a country so democratic in theory as the United States it is a significant commentary on the work of Government authorities that employer and owner relationships to the organized business of supplying a necessary commodity like coal should be kept somewhat covered, while the corresponding relationships of the employees are as common as print can make them. The punctiliousness of Government commissions and bureaus to investigate, and to set forth in minute de-

tail all the particulars of the times and conditions under which mine workers handle coal, is attested by voluminous official reports in fine print, with ample tabulations, and lists of wages by the hour, day, week, month or year. Even what it costs the miners to live and care for their families is not regarded as, by any means, outside the scope of inquiry and publicity. But when the subject of the owners' and operators' relationship to the business is broached, when there is any curiosity anywhere as to how much the owners and operators are receiving by the hour, day, week, month or year, per ton of coal mined and delivered to the consumers, the details are not so clear. In the present instance it seems to be regarded as wholly outside the question to consider whether or not the men who absolutely control the coal which the country must have, and who are situated so that they may deal it out virtually on their own terms, are getting a fair return for what they are putting into the proposition, or are getting more or less than what is fair. From the point of view of the public, which is to pay in any event, there is a growing tendency to question why there should be such ready publicity for all that the individual mine worker is getting out of his connection with coal, and yet such official toleration of secrecy as to what the owners and operators are getting.

Few men are willing to fight for secrecy except those who have something to conceal. Shall a country which

is at this moment paying a stupendous price for its fuel—an anthracite price, by the way, which has been in some regions increased noticeably at just the time of the year when natural conditions and precedent would seem to have invited a reduction—accept the notion that coal operators are privileged, and may withhold from the public facts which would appear to have a bearing upon the justice of the wages paid to their mine workers or that of the prices charged to those who use their coal? Or shall its Government reports begin to treat operators and mine workers alike, man for man, giving the same publicity to the profits of one as to the profits of the other? The public must pay both, and the public should know both.

(The Nation, New York City, July 17, 1920.)

We do not blame the representatives of the anthracite operators for entering “vigorous objection” to the presentation before the Anthracite Coal Commission of Mr. W. Jett Lauck’s material on profiteering. Seven railways, said Mr. Lauck, under the general control of the Morgan interests, dominate the anthracite industry, and the profits resulting from the production and sale of coal by their subsidiary companies “have appeared almost altogether in the dividends, reserves, and bond interest of the seven anthracite railways”; thus enabling the subsidiary coal companies to present a bal-

ance sheet innocent of profits. Railway men who demand a \$6 minimum daily wage are not, therefore, according to Mr. Lauck, fastening a suffocating burden upon the coal industry, as has frequently been claimed. They are asking only a small margin of a vast and increasing profit which only by a feat of bookkeeping fails to appear on the ledger of the coal operators. Mr. Lauck said:

"A survey of the anthracite industry shows an increase in net profits of the principal operators for the period 1916-1918 over 1912-1914 of nearly 90 per cent as compared with an increase in production of less than 12 per cent. * * * The immense profits reported by three of the principal mining companies for 1916-1918 are exclusive of the earnings of their separately incorporated selling departments, and represent only a fraction of their actual profits. Since its organization, in 1910, the Lehigh Valley Coal Sales Company, for example, has paid annual dividends at an average rate of nearly 20 per cent. The Delaware, Lackawanna and Western Coal Company, since its organization, in 1909, has paid 300 per cent in dividends, and has accumulated a surplus of \$5,973,595, or more than 90 per cent on its capital stock outstanding. * * *

The actual increase in profits during the war years of the coal companies which market their own product is indicated by the income account of the Philadelphia and Reading Company. This company, which had no selling device for concealing its profits, increased its production only 11 per cent during the war years, but increased its profits nearly 500 per cent and its profits per ton of output 435 per cent."

These examples would seem to indicate moderation on the part of the miners, but they indicate, also, good sense on the part of the operators in attempting to prevent the public from learning the exact figures of their fat years.

(Times, Scranton, Pa., July 17, 1920.)

OPERATORS, COWS, PIGS AND MINE WORKERS.

That anthracite operators regard \$3.34 per day as a sufficient wage to enable a mine worker to support himself and family on an American standard of living was the feature development of today's session of the Anthracite Coal Commission.—*News item from yesterday's Times reporting the progress of the arbitration of the demands of the mine workers before the commission headed by Dr. Thompson, president of Ohio State College.*

Coming on top of the statement of a few days ago by Mr. Warriner, another hard coal operator, that the mine workers are not taking advantage of their opportunities to keep chickens and cows and to raise pigs, the averment that \$3.34 a day is ample for a skilled mine worker, and plenty on which to sustain a family (regardless of whether there are man and wife in the family, or man, wife and from two to ten children), is very likely to have a nauseating effect upon mine

workers and public alike, unless the sense of humor at the amazing attitude of the operators, struggling with the emotion of impatience and disgust, triumphs, in which instance it is possible to enjoy the unconscious humor of the gentlemen who urge a pig in the kitchen and a cow in the parlor as family pets and lifebelts for the mine worker and his brood.

The statement that \$3.34 represents enough of a wage is presented by Mr. Huber, the general manager of one of the biggest and best-paying-dividend mining corporations of the region. It is no wonder that he was promptly challenged by Mr. Philip Murray, International Vice-President of the United Mine Workers of America.

The testimony anent this particular phase of the demands of the mine workers could hardly be more interesting or important for showing the state of mind of the largest employers of labor in the hard coal fields, in a peculiarly entrenched position as such, toward their employees. It is important, also, for the fact that the public is taxed every time there is a wage advance and has, in fact, been paying \$1 a ton more since the first of May, though the operators have not had to pay a cent of higher wages to their mine workers and do not know, until the commission decides the issue, how much of an increase will have to be given.

We quote from the news columns further the interesting colloquy of yesterday ; it is worth while :

"After bringing out the point that, according to the operators' own figures, \$3.34 is the minimum wage for common labor in the anthracite field, Mr. Murray asked Mr. Huber if he regarded that as a sufficient wage to enable a man to live and support his family."

"According to what standard of living?" asked Mr. Huber.

"According to the ordinary American standard of living—a standard of decency and reasonable comfort," answered Mr. Murray. "Do you believe a mine worker can live and support a family according to that standard on a daily wage of \$3.34?"

"I not only believe it," answered Mr. Huber, "I know it. I've seen him do it."

"Now, Mr. Huber," continued Mr. Murray, "at your maximum rate of \$3.61 for common labor, would it be necessary for a miner to work 418 eight-hour days a year to make the \$1.509 a year which you have told this commission is the average annual earnings of anthracite workers?"

"That is a matter for mathematical calculation," parried Mr. Huber.

"Isn't it also a fact," pressed Mr. Murray, "that your pumpmen, at the wage rate now prevailing, would have to work approximately 550 eight-hour days in a year to make the annual earnings you have shown in your exhibit for that class of labor?"

"There's no conclusion here that pumpmen work an eight-hour day," answered Mr. Huber, "and our exhibit shows annual earnings without reference to the number of hours or days worked."

"Exactly," said Mr. Murray, "and that leads to the request that I now make of the commission, which is that the operators be required to support their state-

ment as to earnings of mine workers with the figures showing the number of hours each man or class of labor worked during the year 1919 in order to make the amount of money shown in this table."

Later Mr. Lauck called attention to the fact that at \$3.34 per day the mine worker would earn slightly more than \$900 for the operators' full year of 273 days, while the National Industrial Conference Board, an organization of employers, had published a survey showing that the food requirements alone for families of five in Massachusetts mill towns totaled over \$700.

The operators who make these statements rank in importance next only to the presidents of the big anthracite mining and coal-carrying roads. They are really great men in their knowledge of the mining business. As advocates, in placing the case of the operators before the commission and the public they certainly cannot be accused of fostering public approval and support for their side. The \$3.34-a-day-wage asseveration is a case in point; the declaration of Mr. Warriner that it is none of the consuming public's business what the profits of the operators are, made as an argument against admission of evidence by the mine workers to show that the operators can pay higher wages without increasing the price of coal, and the more recent contention that the mine workers should go in for cows and pigs in the backyards to help sustain them and their families, show it.

It is no disgrace to keep a cow or a pig, but cows and pigs can only be kept, with regard for the health and comfort of people that own them and their neighbors, in settled communities, under unusual conditions. The fact that cows and pigs used to have the run of the backyard or the kitchen once upon a time is no basis for the argument presented in this day and time. The hard coal operators know what the environment around a home was generally in such circumstances. That day has gone with the growth of population and other, we say it frankly, improved and more wholesome ideas making for better standards in which to rear families in the hard coal field.

The mine workers of the anthracite region, we fear, are viewed too much by some of these operators, as peasants in the kingdom of a feudal prince, to be satisfied they are alive, that they have the favor of a job, and now and then the smile of the prince.

Cows and pigs and a place to keep them, provided they are furnished by the operators, would be a different proposition. Cows and pigs and the feeding of them, also, run into money in these days. A month's pay at \$3.34 a day would buy an ordinary cow, but what would be lived on in the meantime? Of course, the cow would have to be curried, but the mine worker's wife, when she did not happen to be nursing the baby, might find a half hour to give it the daily currying it ought to have to produce good, rich milk. The opera-

tors might be able to buy the cow cheaper if they pooled their interests and purchased in herds and then distributed them to their mine workers.

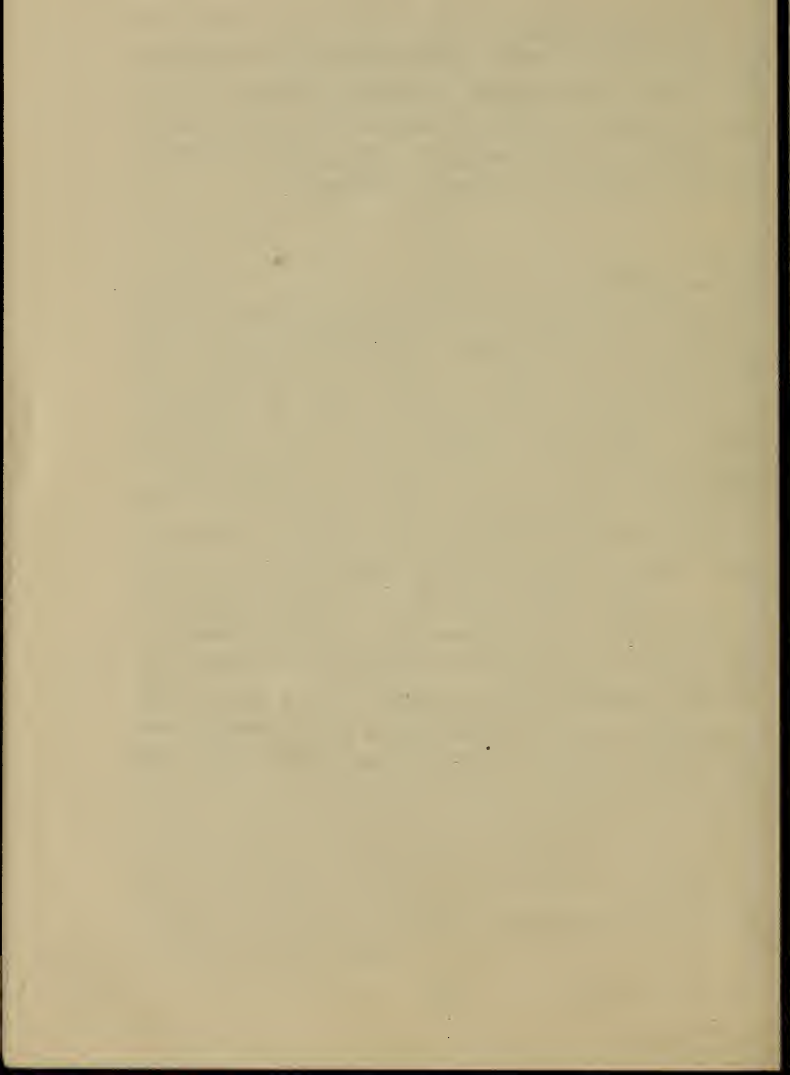
What kind of meat do some of these surviving hard coal operators live on? We thought that the day when operators thought in the terms of some of those in attendance at the hearing before Dr. Thompson's commission had passed out with the progress of the times, dating from the day that a strike commission in 1902 proved that the hard coal mines were not the "divine-right" property of Pharisees in American industrial corporations. The American captain of industry will never promote more satisfactory relations with labor by such arguments as are presented by the hard coal operators.

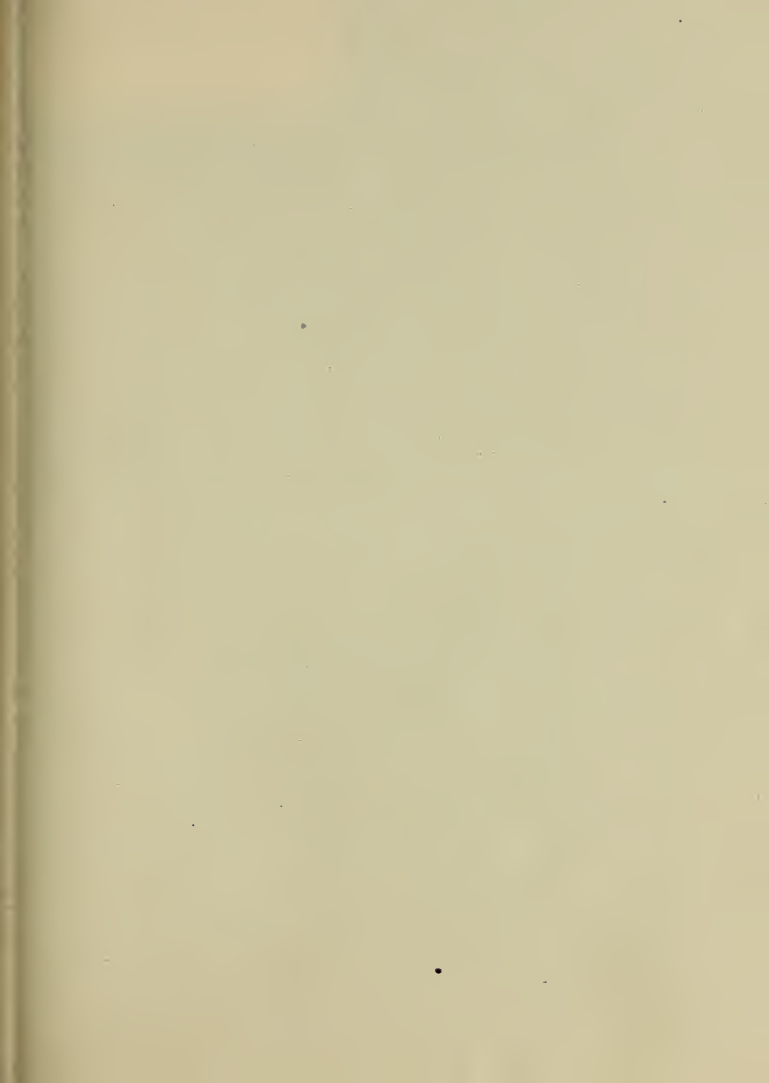
(Bulletin, Philadelphia, July 20, 1920.)

THE COST OF COAL.

W. Jett Lauck, consulting economist and statistician for the United Mine Workers in their case before the Anthracite Commission, offers comparative analysis of the cost of anthracite in the city of Washington, averaging all sizes, in 1914 and 1920, which ought to provoke further inquiry, and if it shall go unchallenged, suggest an avenue of relief for the consumer.

According to these figures, the cost of labor in mining coal has risen 75 per cent. in the six-year period,





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